

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

93-22

October 18, 1994

IN REPLY REFER TO:

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OCT 18 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

The Honorable Paul Simon
U.S. Senator
Attention: Michael Cabonargi
230 S. Dearborn
Kluczynski Bldg
38th Floor
Chicago, IL 60604

DOCKET FILE COPY ORIGINAL

Dear Senator Simon:

This letter responds to your correspondence on behalf of Amy Voss regarding charges on her telephone bill and relating to information services provided on 800 numbers. Your letter, as well as the complaint of your constituent, has been referred to the Enforcement Division of the Common Carrier Bureau for review. The Enforcement Division will communicate with your constituent upon completion of its review.

The Telephone Disclosure and Dispute Resolution Act (TDDRA) was enacted by Congress in 1992 and required both the Federal Communications Commission and the Federal Trade Commission (FTC) to adopt rules governing the provision of pay-per-call services. Under the TDDRA, the FCC has jurisdiction over the telecommunications carriers involved in the transmission and billing of the telephone calls, while the Federal Trade Commission has jurisdiction over the information service companies themselves.

The TDDRA generally required pay-per-call services to be provided on 900 telephone numbers and generally prohibited the provision of these services on 800 numbers, except in instances where the caller has entered into a presubscription agreement or comparable arrangement with the information service provider. Pursuant to the Commission's rules, which became effective on September 24, 1993, a presubscription agreement entails a formal contractual understanding whereby the consumer is provided clearly and conspicuously all terms and conditions associated with the use of the service and affirmatively agrees to abide by them.

The Commission has received numerous complaints similar to those described by your constituent. These complaints are processed by the Enforcement Division of the Common Carrier Bureau by serving a copy of the complaint upon the telecommunication carriers involved, who must generally respond in writing within 30 days. Beyond reviewing these

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List ABCDE

The Honorable Paul Simon
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complaints and pursuing appropriate action to resolve them, the Commission has undertaken several efforts. First, Common Carrier Bureau staff has met with the carriers that provide the billing service for calls to 800 numbers as well as interexchange carriers who provide the 800 number transport to emphasize their obligations under the TDDRA and the rules of the Commission. Secondly, because the increase in the number of complaints has been so significant, we have started an investigation of these practices, with special focus on whether any companies have attempted to evade or violate our rules. Additionally, as part of the effort to make clear the carriers' responsibilities under the law, the Common Carrier Bureau has recently issued a ruling holding that the information provider's receipt of the originating telephone number, a practice that was serving as the premise of some charges, does not in itself constitute a presubscription agreement.

Moreover, on August 2, 1994, the Commission instituted a Notice of Proposed Rulemaking seeking to strengthen Commission rules to prevent abusive and unlawful practices under the TDDRA. Specifically, the Commission has sought public comment on a proposal to require that a presubscription agreement be established only with a legally competent individual and executed in writing, and that common carriers obtain evidence of the written agreement before issuing a telephone bill that contains charges for presubscribed information services. Under the proposed rules, these telephone bills could be addressed only to the individual who actually entered into the presubscription arrangement, not to the person or company whose telephone was used to place the call. The Commission has tentatively concluded that this and other proposed changes would significantly assist in eliminating the source of many consumer complaints. Enclosed is a summary of the Commission's action in this regard.

We appreciate receiving your correspondence. Please call upon us if we can provide any additional information.

Sincerely,



Kathleen M.H. Wallman
Chief
Common Carrier Bureau

Enclosure

PAUL SIMON
ILLINOIS

United States Senate
WASHINGTON, DC 20510-1302

COMMITTEES
LABOR AND HUMAN RESOURCES
JUDICIARY
FOREIGN RELATIONS
BUDGET
INDIAN AFFAIRS

cc-480
cc-900
9404227

August 22, 1994

Mr. Robert W. Spangler
Deputy Chief (Policy)
Common Carrier Bureau
Federal Communications Commission
1919 "M" Street, N.W.
Washington, D.C. 20554

Dear Mr. Spangler:

I received the enclosed correspondence from my constituent, Amy Voss, concerning an adult information service line. For a more detailed explanation, please see the attached information.

I would appreciate your looking into this matter and ~~advising me~~
~~Michael Cabanergi, staff assistant in my Chicago office,~~ of your findings as soon as possible.

Thank you for your cooperation and assistance.

Cordially,



Paul Simon
U. S. Senator

230 South Dearborn (3892)
Chicago, Illinois 60604
(312) 353-4952

PS/mmc

June 20, 1994

Senator Paul Simon
207 State House
Springfield, Illinois 62706

Dear Paul Simon,

I am a housewife who gave up her job to raise her children, and am very upset with the pornographic mail/literature that is being sent to my home, and I have no idea as to why I am getting this obnoxious mail.

This is not the only problem that I am struggling to battle against at this time. My husband and I have been billed for phone charges (800 sex talk lines) that we did not make nor did we approve. The disturbing part in all this that the false charges were put through when no one was home. My son was in the hospital with double pneumonia and my husband and I spent all free time at his bedside.

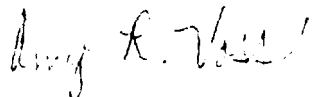
My husband called AT&T on April 19 at 7:30 p.m. and spoke to Laura a representative for AT&T regarding the 800 sex talk lines and was told AT&T would not take these charges off our phone bill. An outside line check was done and nothing was revealed.

These same people are also trying to write checks against my checking account. When I discovered this, I transferred our checking account to another bank in town only to find that the same unapproved checks were being written against my account. I just last week Friday received a phone call from a man at a bank in Las Vegas, Nevada asking why the check withdrawals were being blocked at this end. He wanted some pertinent information on my husband and I gave him none.

Enclosed you will find some of the "filth" that is coming to our house, where we have 2 inquisitive boys ages 5 and 2, and a company card from one of the "filth" call companies.

I am writing you in the hope that you can direct me to someone who can help me or who may have a solution to my problems. How can I fight these crooks, I am just a housewife. This whole situation is getting beyond our means and we are in desperate need of guidance as to how these thieves can be stopped.

Sincerely,



Amy R. Voss
3302 Ann Street
Lansing, IL 60438
cc: Illinois Attorney General

Chicago

July 25, 1994

Illinois Attorney General
Consumer Protection Department
State of Illinois Center
100 W. Randolph Street
Chicago, IL 60601

Dear Attorney General:

This letter is in response to the previous written letter of June 20, 1994 (also attached). I am writing you to ask your help in prosecuting the people who have gained access to my personal checking account and are attempting to withdraw from same account. It appears that these same people, who are trying to steal from me, have also set up a checking account in my name in another state. I want to prosecute, as I have just stated, the people who are responsible for the withdrawals and want information as to whether I can also prosecute against the banks who obviously had insufficient information to even open these checking accounts originally in my name.

Enclosed you will find a copy of one of the checks that had made its way to my bank, but they (my bank) are sending it back, since this check withdrawal was not authorized by myself or my husband. On file my bank is holding a stop payment on this check (as enclosed) as well as all other attempts, since I have signed a main Stop Payment, where nothing is able to be withdrawn from our account without my or my husband's signature.

Please note the name change of the company attempting to make the withdrawals. Information sent to you with the original letter had the name of the fraudulent company as Telecharge this time the attempts are being made by E-Marketing.

Please respond to this matter at your earliest convenience, as this situation is extremely upsetting to my husband and me. This fraud has to stop AND NOW!! Looking to hear from you soon, as I'm sure you find matters of this to be of the utmost importance to your "voting public".

Sincerely,

Amy R. Voss

Amy R. Voss
3302 Ann Street
Lansing, IL 60438

cc: Paul Simon, Senator

TO: FIRST NATIONAL BANK OF ILLINOIS 15-37954
LANSING, ILLINOIS

STOP PAYMENT

ON MY CHECK	No. <u>All drafts</u>	DATED	DATE RECEIVED
			<u>7-25-94</u>
IN FAVOR OF	<u>E-MARKETING OR ANY COMPANY - NO DRAFTS FROM ANY CO. AUTHORIZED</u>		
FOR	<u>ANY AMOUNT</u>		
REASON	<u>NOT AUTHORIZED</u>		
	NEW CHECK ISSUED <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		

IN REQUESTING YOU TO STOP PAYMENT OF THIS OR ANY ITEM, THE UNDERSIGNED AGREES TO HOLD YOU HARMLESS FOR ALL EXPENSES AND COSTS INCURRED BY YOU ON ACCOUNT OF REUSING PAYMENT OF SAID ITEM, AND FURTHER AGREES NOT TO HOLD YOU LIABLE ON ACCOUNT OF PAYMENT CONTRARY TO THIS REQUEST IF SAME OCCUR THROUGH INADVERTENCE, ACCIDENT OR OVERSIGHT, OR IF BY REASON OF SUCH PAYMENT OTHER ITEMS DRAWN BY THE UNDERSIGNED ARE RETURNED INSUFFICIENT. NO STOP PAYMENT REQUEST, RENEWAL OR REVOCATION SHALL BE VALID UNLESS THE STOP PAYMENT ORDER IS SIGNED. THIS REQUEST IS EFFECTIVE FOR SIX (6) MONTHS. RENEWALS MAY BE MADE BY WRITTEN REQUEST.

STOP PAYMENT RELEASE DATE	19	SIGNATURE OF MAKER
<input type="checkbox"/> THE ABOVE REQUEST IS WITH' RAWN	SIGNATURE	ACCEPTED FOR BANK BY

BLUE - TELLER
PINK - BOOKKEEPING
WHITE - MAKER

01005 2/92



TR 5-74

DETAILED CHARGES

Section 2 Page 2

Billing Questions, Call 1 800 222-0300 (Dial all 11 Numbers)

For 900 Billing Questions, Call 1 800 642-2708

708 474-8311 687 6

APR 10, 1994

*Denis -
Appt to Paula
on 4/19
7:30 p.m.
Call 20 min
Phone 20 min
Check lines
won't take till*

Monthly Service

No. Description

1	AT&T REACH OUT (R) Half-Hour Plan	
	APR 03 thru MAY 02	4.00

Total Monthly Service Charges 4.00

Long Distance

No.	Date	Time	Place Called	Number	Code	Min	
2	3-13	954A	MIAMI	FL 305 558-7979	AN	1#	.14
3	3-13	957A	PHILA	PA 215 747-2692	AN	1#	.14
4	3-13	1000A	NICARAGUA	5059991111	AE	4	5.21
5	3-16	750P	DIR ASST	IN 219 555-1212	AD	1	.75
6	3-19	208P	PANAMA	507507800	AE	4	4.90
7	3-19	227P	SAN FRAN	CA 415 626-3771	AN	3#	.42
9	3-23	1123P	LAS VEGAS	NV 702 364-1745	AN	2#	.23
Total Itemized Calls							10.86

AT&T REACH OUT (R) HALF-HOUR PLAN
CHARGES ARE NOT INCLUDED IN SUBTOTAL

AT&T REACH OUT (R) Half-Hour Plan Summary

NIGHT/WEEKEND TIME USED	7 MINS	
ALLOTMENT FOR NIGHT/WEEKEND CALLS	30 MINS	
9 ADDITIONAL PERIOD	0 MINS @ .12/MIN	.00
10 EVENING CALLS	.00 DISC @ 20%	.00
AT&T REACH OUT (R) Half-Hour Summary		.00

Total Long Distance Charges 10.86

Taxes

No. Description

11 Federal Tax @ 3%44
12 State and Local75

Total AT&T Invoice Charges 16.05

TOTAL AT&T CURRENT CHARGES 16.05